

**MINUTES**

**MONTANA HOUSE OF REPRESENTATIVES  
61st LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON TAXATION**

**Call to Order:**

**CHAIRMAN BOB LAKE**, on January 19, 2009 at 9:00 A.M., in Room 152 Capitol.

**ROLL CALL**

**Members Present:**

Rep. Bob Lake, Chairman (R)  
Rep. Jill Cohenour, Vice Chairman (D)  
Rep. Janna Taylor, Vice Chairman (R)  
Rep. Dick Barrett (D)  
Rep. Mark Blasdel (R)  
Rep. Edward B. Butcher (R)  
Rep. Wanda Grinde (D)  
Rep. Robin Hamilton (D)  
Rep. Brian Hoven (R)  
Rep. Mike Jopek (D)  
Rep. Dave McAlpin (D)  
Rep. Mike Miller (R)  
Rep. JP Pomnichowski (D)  
Rep. Lee Randall (R)  
Rep. J. David Roundstone (D)  
Rep. Jon Sonju (R)  
Rep. Wayne Stahl (R)  
Rep. Chas Vincent (R)  
Rep. Brady Wiseman (D)

**Members Excused:** Rep. Art Noonan (D)

**Members Absent:** None.

**Staff Present:** Jeff Martin, Legislative Branch  
Jennifer O'Loughlin, Committee Secretary

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

**Committee Business Summary:**

Hearing & Date Posted: HB 28, 1/19/2009; HB 206, 1/19/2009

Executive Action: None

**HEARING ON HB 28**

**Opening Statement by Sponsor:**

00:04:15 REP. PAT INGRAHAM (R), HD 13, opened the hearing on HB 28, Exempt military pensions from state income tax.

[EXHIBIT\(tah12a01\)](#)

**Proponents' Testimony:**

00:13:29 Steve Sem, Veterans' Service Organizations in Montana

00:27:20 Jim Jacobsen, Legislative Chairman, Montana American Legion

[EXHIBIT\(tah12a02\)](#)

00:32:07 Elmer Palmer, Commander, American Legion of Montana

00:34:58 Roger Hagan, Montana National Guard Association

[EXHIBIT\(tah12a03\)](#)

00:36:58 Mitch Clouse, Department Commander, Disabled American Veterans

00:38:17 Dan Antonietti, State Legislative Chairman, Veterans of Foreign Wars

00:39:11 Larry Blakesley, Navy Veteran

00:41:09 Art Ellison, Navy Veteran

00:44:24 Ron Hansell, Judge Advocate, American Legion of Montana

00:46:03 John Swanson, Veteran

00:51:55 John Keefe, Retired Marine

[EXHIBIT\(tah12a04\)](#)

00:57:39 Gary White, Retired Army Veteran

00:58:51 David McLean, Veteran

01:01:23 Peter Bogy, Air Force Reserve Veteran

01:02:53 John Pellegrinni, National Membership Committee, American Legion

01:03:35 Dan Stewart, Enlisted Association, National Guard

[EXHIBIT\(tah12a05\)](#)

01:07:28 Don Hart, Air Force Veteran

**Opponents' Testimony:**

01:11:15 Amy Carlson, Assistant Director, Governor's Budget  
Office  
01:13:21 Gene Walborn, Administrator, Business and Income Taxes  
Division, Department of Revenue (DOR)

**EXHIBIT (tah12a06)**

01:17:36 Chairman Lake  
01:17:54 Mr. Walborn  
01:19:10 Chairman Lake  
01:19:21 Mr. Walborn  
01:19:35 C.A. Daw, Chief Legal Counsel, DOR  
01:20:26 Chairman Lake  
01:20:35 Mr. Daw

**Informational Testimony:**

01:22:57 Joe Foster, Administrator, Department of Military  
Affairs, Veterans Affairs Division

**Questions from Committee Members and Responses:**

01:23:29 Rep. Vincent  
01:23:52 Mr. Daw  
01:25:00 Rep. Vincent  
01:25:11 Mr. Daw  
01:25:19 Rep. Barrett  
01:26:29 Rep. Ingraham  
01:27:10 Rep. Butcher  
01:28:11 Steve Sem, Montana Veterans Service Associations  
01:28:30 Rep. Butcher  
01:29:15 Chairman Lake  
01:29:20 Rep. Butcher  
01:29:33 Chairman Lake  
01:29:45 Rep. Taylor  
01:30:08 Mr. Daw  
01:30:30 Rep. Taylor  
01:30:48 Mr. Daw  
01:31:02 Rep. Wiseman  
01:31:47 Mr. Sem  
01:31:59 Rep. Wiseman  
01:32:29 Mr. Sem  
01:32:58 Rep. Wiseman  
01:33:18 Joe Foster, Department of Military Affairs  
01:33:39 Rep. Wiseman  
01:33:49 Mr. Foster  
01:34:02 Rep. Cohenour  
01:34:49 Mr. Sem  
01:34:58 Rep. Cohenour

01:35:47 Mr. Daw  
01:36:00 Rep. Cohenour  
01:36:34 Mr. Daw  
01:36:56 Chairman Lake  
01:37:34 Mr. Daw  
01:37:43 Rep. Cohenour  
01:38:02 Rep. Barrett  
01:38:27 Mr. Foster  
01:38:44 Rep. Hoven  
01:39:15 Mr. Swanson, Veteran

**Closing by Sponsor:**

01:39:55 Rep. Ingraham  
  
01:43:26 Break  
  
01:55:34 Reconvene

**HEARING ON HB 206**

**Opening Statement by Sponsor:**

01:56:31 **REP. HARRY KLOCK (R), HD 83**, opened the hearing on **HB 206**, Exempt military salaries from state income tax.

**Proponents:**

01:57:45 Roger Hagan, Montana National Guard Association  
02:02:45 Jim Jacobsen, Legislative Chairman, Montana American Legion  
02:03:22 Gary White, Montana National Guard  
02:04:30 Dan Antonietti, State Legislative Chairman, Veterans of Foreign Wars  
02:05:11 Duane Iverson, CPA  
02:06:04 John Iverson, CPA  
02:06:53 Holly Franz, Montana Society of CPAs

**Opponents:**

02:07:39 Amy Carlson, Assistant Director, Governor's Budget Office  
02:08:31 Gene Walborn, Administrator, Business and Income Taxes Division, DOR

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

02:10:39 Rep. Wiseman  
02:10:57 Mr. Martin  
02:12:16 Rep. Vincent  
02:12:48 Mr. Walborn  
02:13:09 Rep. McAlpin  
02:13:30 Mr. Martin  
02:13:39 Rep. Hoven  
02:14:20 Mr. Hagan  
02:14:35 Rep. Hoven  
02:14:53 Mr. Hagan  
02:15:49 Rep. Hoven  
02:15:56 Mr. Hagan  
02:16:01 Rep. Hoven  
02:16:05 Mr. Hagan

**Closing by Sponsor:**

02:16:45 Rep. Klock

Additional Document

**ADJOURNMENT**

02:18:21 Adjournment: 11:20 A.M.

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JENNIFER O'LOUGHLIN, Secretary

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Additional Documents:

**EXHIBIT ([tah12aad.pdf](#))**